

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

FRONTIER AIRLINES, INC.,

Plaintiff,

v.

AMCK AVIATION HOLDINGS IRELAND
LIMITED, ACCIPITER INVESTMENT 4
LIMITED, VERMILLION AVIATION (TWO)
LIMITED, WELLS FARGO TRUST COMPANY,
N.A., solely in its capacity as OWNER TRUSTEE,
and UMB BANK, N.A., solely in its capacity as
OWNER TRUSTEE,

Defendants.

20 Civ. 9713 (LLS)

ANSWER

Defendant Vermillion Aviation (Two) Limited (“Defendant” or “Vermillion”), by and through its undersigned counsel, hereby responds to the Complaint of Plaintiff Frontier Airlines, Inc. (“Frontier”) as follows:

1. Defendant admits the allegations in paragraph 1.
2. Defendant denies the allegations in paragraph 2, except admits that AMCK is a company incorporated in Ireland with its principal place of business in Dublin, Ireland.
3. Defendant denies the allegations in paragraph 3, except admits that Accipiter is a company incorporated in Ireland with its registered office in Dublin, Ireland.
4. Defendant denies the allegations in paragraph 4, except admits that Vermillion is a company incorporated in Ireland with its registered office in Dublin, Ireland.
5. Defendant denies the allegations in paragraph 5, except admits that WFTC is a national banking association.
6. Defendant denies the allegations in paragraph 6, except admits that UMB is a national banking association.

7. Defendant denies the allegations in paragraph 7, except admits that Defendants WFTC and UMB are nominal defendants named solely in their capacity as owner trustees.

8. Defendant denies the allegations in paragraph 8, except admits that the amount in controversy is greater than \$75,000 and states that no response is required to legal conclusions.

9. Defendant denies the allegations in paragraph 9, except states that no response is required to legal conclusions.

10. Defendant denies the allegations in paragraph 10, except admits that Defendant is a party to certain agreements and refers to those documents for their contents and states that no response is required to legal conclusions.

11. Defendant denies the allegations in paragraph 11, except admits that Frontier is a U.S.-based passenger airline, states that it is without knowledge or information sufficient to form a belief about the truth of the allegations concerning Frontier's arrangements with various other aircraft lessors, and admits that AMCK affiliates, through certain owner trustees, own and lease to Frontier multiple aircraft.

12. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 12.

13. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 13.

14. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 14, except admits that the COVID-19 pandemic caused airline passenger traffic to drop dramatically in the United States and other countries.

15. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 15, except admits that Frontier is a U.S. airline that operates North American, Central American and Caribbean routes.

16. Defendant admits the allegations in paragraph 16.

17. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 17.

18. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 18.

19. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 19.

20. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 20, except admits that Frontier has made rent payments for MSN 10038.

21. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 21.

22. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 22.

23. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 23.

24. Defendant denies the allegations in paragraph 24, except admits that Vermillion entered into a guarantee in connection with the MSN 10038 lease and refers to that document for its contents.

25. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 25.

26. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 26, except admits that UMB, not in its individual capacity but solely as owner trustee, is the lessor under the MSN 10038 lease.

27. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 27, except admits that sale and leaseback arrangements are widely used by airlines to finance new aircraft acquisitions.

28. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 28.

29. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 29.

30. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 30.

31. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 31.

32. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 32.

33. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 33.

34. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 34.

35. Defendant denies the allegations in paragraph 35, except admits that Frontier took delivery of MSN 10038 on March 16, 2020, admits that Vermillion entered into a guarantee in connection with the MSN 10038 lease and refers to that document for its contents, and states that it is without knowledge or information sufficient to form a belief about the truth of the allegations concerning the original Airbus delivery schedule.

36. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 36.

37. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 37.

38. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 38.

39. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 39.

40. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 40.

41. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 41.

42. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 42.

43. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 43.

44. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 44.

45. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 45.

46. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 46.

47. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 47.

48. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 48.

49. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 49.

50. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 50.

51. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 51.

52. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 52.

53. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 53.

54. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 54.

55. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 55.

56. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 56.

57. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 57, except admits that Frontier continued making rent payments for MSN 10038.

58. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 58.

59. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 59.

60. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 60.

61. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 61.

62. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 62.

63. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 63.

64. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 64.

65. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 65.

66. Defendant denies the allegations in paragraph 66, except states that it is without knowledge or information sufficient to form a belief about the truth of the allegations concerning AMCK's communications with Frontier.

67. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 67.

68. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 68.

69. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 69.

70. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 70.

71. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 71.

72. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 72.

73. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 73.

74. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 74.

75. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 75.

76. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 76.

77. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 77.

78. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 78.

79. In response to paragraph 79, Defendant incorporates by reference its responses to paragraphs 11-78 herein.

80. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 80.

81. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 81.

82. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 82.

83. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 83.

84. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 84.

85. In response to paragraph 85, Defendant incorporates by reference its responses to paragraphs 11-84 herein.

86. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 86.

87. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 87, except admits that Frontier has made rent payments for MSN 10038.

88. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 88.

89. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 89.

90. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 90.

91. In response to paragraph 91, Defendant incorporates by reference its responses to paragraphs 11-90 herein.

92. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 92, except admits that Frontier has leased MSN 10038 from AMCK affiliates, through an owner trustee, and refers to that document for its contents.

93. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 93, except admits that the MSN 10038 lease is in full force.

94. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 94, except admits that Frontier has made rent payments for MSN 10038.

95. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 95, except denies that Vermillion breached any lease agreement.

96. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 96, except admits that Vermillion entered

into a guarantee in connection with the MSN 10038 lease and refers to that document for its contents, and denies that Vermillion has any liability in connection therewith.

97. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 97, except admits that Vermillion entered into a guarantee in connection with the MSN 10038 lease and refers to that document for its contents, and denies that Vermillion has any liability in connection therewith.

98. In response to paragraph 98, Defendant incorporates by reference its responses to paragraphs 11-97 herein.

99. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 99, except states that no response is required with respect to legal conclusions.

100. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 100.

101. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 101.

102. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 102.

103. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 103.

104. In response to paragraph 104, Defendant incorporates by reference its responses to paragraphs 11-103 herein.

105. Defendant denies the allegations in paragraph 105, except admits that Frontier entered into the MSN 10038 lease and refers to that document for its contents, and states that no response is required with respect to legal conclusions.

106. Defendant denies the allegations in paragraph 106.

107. Defendant denies the allegations in paragraph 107.

108. Defendant denies the allegations in paragraph 108.

109. In response to paragraph 109, Defendant incorporates by reference its responses to paragraphs 11-108 herein.

110. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 110.

111. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 111.

112. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 112.

113. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 113.

114. In response to paragraph 114, Defendant incorporates by reference its responses to paragraphs 11-113 herein.

115. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 115.

116. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 116.

117. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 117.

118. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 118.

119. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 119.

120. Defendant states that it is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 120.

AFFIRMATIVE DEFENSES

Defendant asserts the following affirmative defenses:

1. Frontier's claims are barred, in whole or in part, because Frontier failed to perform its obligations under the relevant lease agreements.
2. Frontier's claims are barred, in whole or in part, by the statute of frauds.
3. Frontier's claims are barred, in whole or in part, by the doctrine of unclean hands.
4. Frontier's claims are barred, in whole or in part, by the limitation of liability clauses in the relevant lease agreements.
5. Frontier's claims are barred, in whole or in part, by the doctrine of mitigation of damages.

Dated: May 19, 2021
New York, New York

Respectfully submitted,

/s/ Jeff E. Butler

Jeff E. Butler
John P. Alexander
CLIFFORD CHANCE US LLP
31 West 52nd Street
New York, New York 10019

Attorneys for AMCK Aviation Holdings Ireland Limited, Accipiter Investments Aircraft 4 Limited, Vermillion Aviation (Two) Limited, UMB Bank, N.A., as owner trustee, and Wells Fargo Trust Company, N.A., as owner trustee